



Employee Benefits in the Fast Food Industry

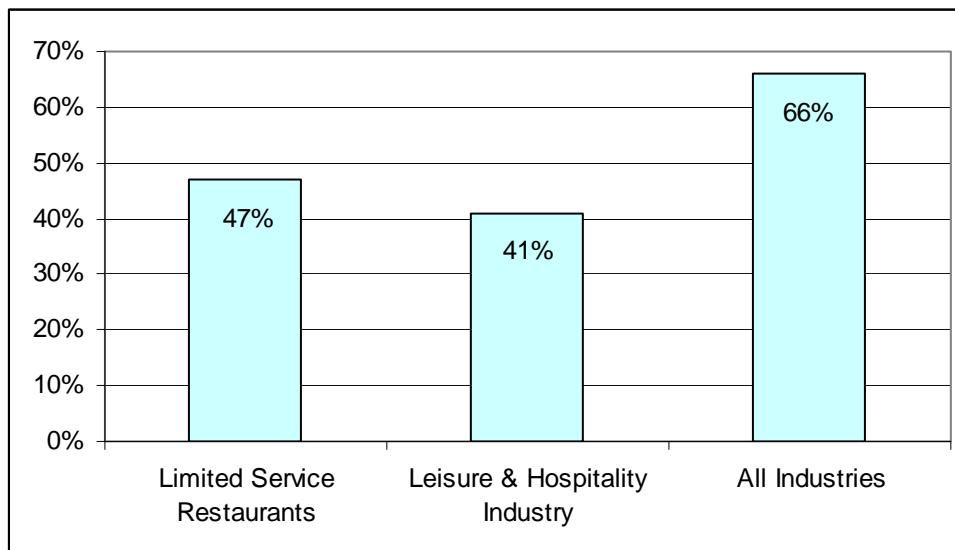
Mary Findlay, Research Analyst

Information from the Nebraska Employee Benefits survey may be used by businesses to compare themselves to other similar businesses. This data may also be used to educate current employees about the value of their benefits and to help attract new employees.

Fast food establishments are classified as limited service restaurants within the Leisure and Hospitality industry. There were 213 valid survey responses from fast food businesses and the following information is based on their reports.

Medical insurance was offered to fast food employees at a slightly higher rate than for the Leisure and Hospitality industry as a whole but less frequently than for all Nebraska industries.

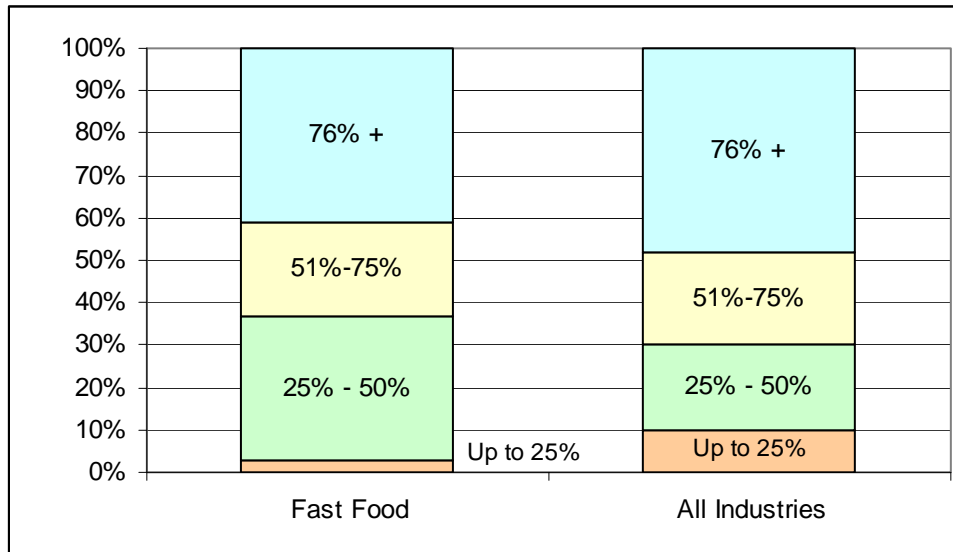
Percent of Businesses that Offered Single Medical Insurance to Full-time Employees



When medical insurance was offered to employees, it was likely to be offered for their families. If the employer offered single coverage to full-time employees, family medical insurance was offered 85% of the time. Part-time workers were much less likely to be offered medical insurance. Just 13% of businesses offered medical insurance to their part-time employees. For 41% of employees in the fast food industry there is a waiting period before being offered medical insurance. Dental insurance was offered to nearly one-third (31%) of full-time employees, either as separate coverage or part of the medical insurance

A larger share of fast food employers pay 25% to 50% of medical insurance premiums than all industries combined but a smaller share of fast food employers pay less than 25% of the total medical insurance premium.

Percent of single medical insurance premiums for full-time employees paid by the employer



Nearly one-third (31%) of fast food businesses offer a retirement plan for their employees. Nearly all of these plans are defined contribution retirement plans, such as a 401k. This mirrors the Leisure and Hospitality industry rate of 33%; however, both are below the statewide average of 67% of all business that offer retirement plans to their full-time employees.

Life insurance was offered to 37% of full-time employees in the fast food industry. In the Leisure and Hospitality industry, this benefit was offered to 27% of full-time employees while 49% of all industries offered this benefit.

When it comes to vacation leave, the fast food industry compares favorably with the Leisure and Hospitality industry and all industries. Paid vacation leave was offered to full-time employees by 70% of fast food businesses, 63% of Hospitality and Leisure business and to 78% of all businesses. Nearly one-third (28%) of fast food businesses offer vacation leave to part-time employees compared to 21% of Leisure and Hospitality and 22% of all businesses.

Paid holiday leave is offered to 29% of fast food full-time employees, a little lower than the one-third of Leisure and Hospitality employees. This is significantly lower than the three-fourths of full-time employees in all industries that are offered paid holiday leave.

If you would like more detailed information than was contained in the Nebraska Employee Benefits report for your industry, contact Mary Findlay at mfindlay@dol.state.ne.us.